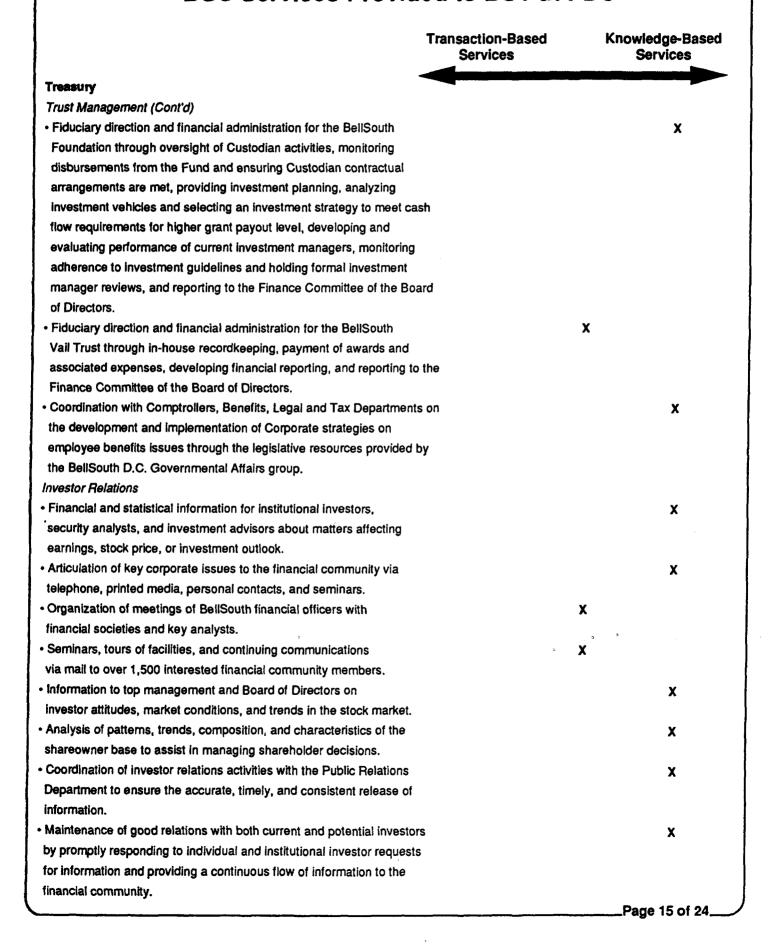
## **BSC Services Provided to BST at FDC**

	Transaction-Based Services	K	Inowledge-Based Services
Security (Cont'd)			
Pre-employment background checks and contractor/vendor		X	
background checks for BSC and BSE subsidiaries.			
Administration of the Fidelity Bond Program for BSC.			x
Administration of the Department of Defense Industrial Security Pro	ogram		x
for BSC.			
Strategic Planning & Corporate Development			
Coordination and oversight of BSC strategic analysis and planning,			X
focusing on all aspects of communications and technology converg	ence		
Facilitation and development of integrated vision/strategy for BSC			X
residential consumer market.			
Facilitation and development of integrated vision/strategy for BSC			X
business consumer market.			
Coordination and facilitation of BSC corporate development activities	98,		X
including mergers and acquisition (Not allocated to BST)			<b>u</b> .
Support of various BSC planning committees and executive manage     Maintenance and development of "Consequent Recovered Contact"	ement.	X	X
Maintenance and development of "Corporate Resource Center"		^	
Тах			
Tax planning across tax jurisdictions (federal, state, local)			X
and types of taxes (income, property and other)			
<ul> <li>Tax preparation for income(federal and state), property,</li> </ul>	X		
sales and use, and other tax returns and business and occupational licenses	•		
• Preparation of consolidated income tax data for financial statements	5	X	
• Research and review of current and proposed tax-related legislation	1		X
• Explanation and data request coordination related to annual IRS fed	deral	X	
income tax audits.			
Treasury			
Treasury Methods			
Operating procedures, methods and management information syste	ms X		
for the Treasury Department.			
Centralized planning and analyses of methods, procedures and	X		
management information systems needed in the Treasury Department	ents		
of various BellSouth companies.			
<ul> <li>Monitoring of the implementation and adherence to accepted Treasurprocedures.</li> </ul>	<sub>ury</sub> X		
			Page 13 of 24-

## **BSC Services Provided to BST at FDC**

ד	ransaction-Based Services	Knowledge-Based Services
Treasury		
Treasury Methods (Cont'd)		
Special studies of new Treasury concepts and procedures.		X
Various administrative duties such as budgeting, force and space		X
planning, etc.		
Cash Management		
• Coordination of financial activities between BellSouth, Chemical Bank	X	
(agent for shareholder account services and registrar), and AmSouth		
Bank (dividend paying bank).		
Coordination of the banking relations activities for the company	X	
including evaluating and recommending banks for various services.		
Receipt and deposit of all BellSouth receipts.	X	
• Disbursement of company funds via check, wire transfer, electronic	X	
funds transfer, and pre-authorized transfers.		
Maintenance of the company's cash books, bank registers and		X
check registers and journal accounts.		
• Management of the Company's temporary cash investments (Pool of		X
Funds).		
Cash forecasts and all short-term borrowing to cover the Company's		X
cash needs.		
Short-term loans (advances) to subsidiaries to meet their		X
cash requirements.		
Short-term pension fund investment.	X	
Financing		
Financial objectives for the parent company and assistance to the		X
subsidiaries in the development of their objectives.		
Support of subsidiaries in developing financing plans.		X
Coordination of rating agency interface for BellSouth and its		X
subsidiaries.		
Planning and coordination of BellSouth debt and equity financings.		X
Research into new and innovative financial techniques and capital		X
markets.		
Trust Management		
Fiduciary direction and financial administration for the BellSouth		X
Rabbi trust for non-employee Directors, BellSouth Rabbi Trust for		
Executive/Key Managers, BellSouth Corporation STAP Trust and the		
BellSouth Corporation Payroll Employee Stock Ownership Plan		
(PAYSOP) Trust through oversight of Trustee and Recordkeeper		
activities, monitoring disbursements from the Trust and ensuring		
Trustee contractual arrangements are met, and providing reports		
required by the Internal Revenue Service and reporting to the Finance		
Committee of the Board of Directors.		Page 14 of 24-

### **BSC Services Provided to BST at FDC**



	Transaction-Based Services		vledge-Based Services
Accounting and Financial Standards			
Accounting standards		X	
Applied Research			
Chemistry and Materials		X	
<ul> <li>Computer networking, sciences, and systems</li> </ul>		X	v
Distribution network technology			X
Electronic science and technology		X	
Lightwave systems		X	
Mathematics, information		X	
Multimedia communications		X	v
Network control, systems			X
<ul> <li>Photonic and electronic machinery, science, and technology</li> </ul>		X	
Radio research		X	
Speech and image processing		X	
Statistics and economics		X	•
Systems integration and principles			X
Transwitching technology		X	
Video systems and signals		X	
Billing Systems			
Billing support systems		X	
Billing Systems automatic message, cost of service, CSPS		X	
Support, New Services Billing Support			
Customer billing systems		X	
Financial systems support		X	
Stars maintenance		X	
Usage collection and procurement		X	
Computing Standards and Architecture			
BAE tech support - BS		X	
Common communications software		X	
Common language information		X	
Computer systems engineering		X	
<ul> <li>Computer security technology, systems engineering,</li> </ul>			X
technology support, usage - SAM/USOC			
Computing technology		X	
Data layer engineering		X	
Enabling network technology and science			X
			-Page 16 of 2

	Transaction-Based Services	Knowledge-Based Services
Computing Standards and Architecture (Cont'd)		
Interoperability/Operability Science		X
• ISI data catalog	X	
• LOC-USA	X	
OSCA (TM) architecture		X
OSI Vendor product introduction	Х	
OSN Planning and support		X
PBX security - Belisouth		X
Service order language	X	(
Software request support	<b>X</b>	(
UNIX security toolkit	×	3
Corporate Measurements		
Basic measurements support	х	<b>K</b>
Measurements research account	×	
Mechanical processing of R-AVL	X	
Economic Analysis		
Area calling plan demand		X
BellSouth database construction, switching cost information	х	
systems, demand for vertical services		
Capital costs model	X	
Common channel signal cost information	X	
Network cost analysis	х	
Federal Regulatory		
BellSouth services		X
Legislative resources center	X	
Local transport demand		X
Productivity monitoring	X	
Public policy analysis		X
Regulatory research		X
Resource center	X	
RIF economic analysis	×	
Generic Requirements		
ABS switching and signaling	х	
ADSL generic transport	X	
AIN planning and requirements	x	
		Page 17 of 24-

	Transaction-Based Services	Knowledge-Based Services
Generic Requirements (Cont'd)		
DLC Infrastructure and technical analysis		X
FITL basic platform		*
Generic SMS/SOAC Interfaces		X
High-bit-rate loop transmission.		X
In-CCS switch and signal		X
Information exchange		X
ISDN and National ISDN technology requirements		X
<ul> <li>Network performance and technical operations</li> </ul>		X
Personal communications systems		X
Power systems		X
Q&R technical systems		X
Reliability and failure analysis		X
Sonet release		X
SVC negotiation & management information		X
Switch and signal technology		X
Marketing Services		
• 3DS		x x
<ul> <li>Access markets, enhancements, and maintenance</li> </ul>		^
Analytical support		X
ARIS system enhancements		X
ASR mechanical interfaces		X
Billing and collection services		x
BS wireless services		X
Business residence listing		X
Carrier access services and interfaces		X
CCRS, CCS, CRIS systems enhancement and maintenance		x
• Exact Maintenance	:	x
• File transfer system		x
Information research center	X	
Listing industry support		x
Market characterization and enhancements	:	X
National security		X
Public technology and operations		X
RSAG/LFACS Interfaces, SCP/LIDB Calling name, VMC and		x
vendor support		
Wireless Interconnection Services		×
		Page 18 of 24.

\_Page 19 of 24\_

Network Services  ABS national planning, network fraud improvement  CCRS, CCS, CLASS systems  Data services analyses  DBAS, Flexcom systems  National ISDN-1 Technical  Operator Services  PCS, SCP systems  Telegate service center  X   Network Standards & Architecture  Accelerated Operations support  Addressing and Interconnecting  Advanced radio spectrum  Automatic recovery  BISDN phase 1 planning  Carrier technological liaison  CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
CCRS, CCS, CLASS systems     Data services analyses     DBAS, Flexcom systems     National ISDN-1 Technical     Operator Services     PCS, SCP systems     Telegate service center  Network Standards & Architecture     Accelerated Operations support     Addressing and Interconnecting     Advanced radio spectrum     Automatic recovery     BISDN phase 1 planning     Carrier technological liaison     CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
CCRS, CCS, CLASS systems  Data services analyses  DBAS, Flexcom systems  National ISDN-1 Technical  Operator Services  PCS, SCP systems  Telegate service center  X   Network Standards & Architecture  Accelerated Operations support  Addressing and Interconnecting  Advanced radio spectrum  Automatic recovery  BISDN phase 1 planning  Carrier technological liaison  CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
Data services analyses     DBAS, Flexcom systems     National ISDN-1 Technical     Operator Services     PCS, SCP systems     Telegate service center  Network Standards & Architecture     Accelerated Operations support     Addressing and Interconnecting     Advanced radio spectrum     Automatic recovery     BISDN phase 1 planning     Carrier technological liaison     CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
National ISDN-1 Technical     Operator Services     PCS, SCP systems     Telegate service center  Network Standards & Architecture     Accelerated Operations support     Addressing and Interconnecting     Advanced radio spectrum     Automatic recovery     BISDN phase 1 planning     Carrier technological liaison     CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
Operator Services     PCS, SCP systems     Telegate service center  Network Standards & Architecture     Accelerated Operations support     Addressing and Interconnecting     Advanced radio spectrum     Automatic recovery     BISDN phase 1 planning     Carrier technological liaison     CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
PCS, SCP systems Telegate service center  Network Standards & Architecture Accelerated Operations support Addressing and Interconnecting Advanced radio spectrum Automatic recovery BISDN phase 1 planning Carrier technological liaison CCS system  X  X  X  X  X  X  X  X  X  X  X  X  X
PCS, SCP systems Telegate service center  Network Standards & Architecture Accelerated Operations support Addressing and Interconnecting Advanced radio spectrum Automatic recovery BISDN phase 1 planning Carrier technological liaison CCS system  X  X  X  X  X  X  X  X  X  X  X  X
Telegate service center  Network Standards & Architecture     Accelerated Operations support     Addressing and Interconnecting     Advanced radio spectrum     Automatic recovery     BISDN phase 1 planning     Carrier technological liaison     CCS system  X  X  X  X  X  X
Accelerated Operations support  Addressing and Interconnecting  Advanced radio spectrum  Automatic recovery  BISDN phase 1 planning  Carrier technological liaison  CCS system  X  X  X  X
Addressing and Interconnecting  Advanced radio spectrum  Automatic recovery  BISDN phase 1 planning  Carrier technological liaison  CCS system  X  X  X  X
Advanced radio spectrum  Automatic recovery  BISDN phase 1 planning  Carrier technological liaison  CCS system  X  X  X  X
Automatic recovery     BISDN phase 1 planning     Carrier technological liaison     CCS system     X  X  X
BISDN phase 1 planning     Carrier technological liaison     CCS system     X
• BISDN phase 1 planning • Carrier technological liaison • CCS system  X  X
Carrier technological liaison     CCS system  X
• CCS system X
·
Class feature requirement
• CNM Interfaces X
Common work for SWF-DS1
• CPE Stimulation X
Digital network transition
• Electromagnetic compatibles X
• End-user/customer idea generation
• Fundamental market analysis
Information networking and research
• ISDN, MRSELS II systems
National Telephone security and software
Network service, facilities, and operations
North American numbering
Opportunity proposal
Product management planning
• Prospectus X
Radio and technology regulation
Siemens EWSD ISDN systems
• Standards planning
• SMDS systems X

	Transaction-Based Services	Kn	owledge-Based Services
Network Standards & Architecture (Cont'd)			
Technological support			X
Workstation for advanced radio		X	
Operations			u
Operations planning			X
CCRS, CCS, CIMAP systems		X	
Current support video/programming		X	
Embedded NDC & NTM Interfaces		X	
Engineering		X	
<ul> <li>Integrated operations and testing systems</li> </ul>		X	
Intelligent network services		X	
ISDN operations support			X
• ITS, NDS systems		X	
Network administration, capabilities, technical support			X
NMA system		X	
NSDB enhancements, maintenance		X	
Operations systems engineering		X	
SEAS system management, interface		X	
Work and Force Administration dispatch, enhancements		X	
Planning and Engineering			
ADEX, AMATPS systems			X
Bellsouth support			X
Capacity management			X
Catalog item database			X
CCRS, CCS, CUCRIT, cross-connect systems		X	
Construction standards			X
Digital switching capacitor			X
• FEPS maintenance			X
• INPLANS application			X
• ITP sonet toolkit		X	
JMOS interface			X
• LATIS transition			X
• LEIS system maintenance		X	
• SOAC, TIRKS, UNIX systems			X
• UTS mainframe COSMOS			X
Lifecost system maintenance			X
Location database development			X
			—Page 20 of 24—

	Transaction-Based Services	Knowledge-B Services	
Planning and Engineering (Cont'd)			
LSD&F system maintenance		x	
NEBS engineering		X	
NPS maintenance		X	
P&E systems planning		X	
PENTA treated poles		X	
PICS/DCPR system		X	
Planning view inventory		X	
Project database development		X	
Service and transport design		X	
<ul> <li>Subassembly and technology management models</li> </ul>		X	
<ul> <li>Unit inventory development and requirements</li> </ul>		X	
Pricing		X	
Access cost support		X	
BellSouth access consultation and cost support		X	
CCS national services support		X	
Demographic and customer analysis		X	
NARUC blue book and blue book enhancement		X	
Reg. cost analysis and information systems		X	
Procurement Support			
Auto ID Technical application		x	
BellSouth Regional products		x	
Key Network product quality		x	
PICS project management		x	
Quality surveillance technology		X	
Provisioning			
COSMOS enhancements and modifications		X	
• CT/ADL1, CT/ADL6		X	
Environmental Support		X	
Integrated exception and provisioning		X	
Interface product management		X	
• LFACS, LMOS systems		X	
MARCH maintenance, application, and support		X	
MIZAR, OSS, PREMIS, systems		X	
Service order planning		X	

	Transaction-Based Services	K	nowledge-Based Services
Provisioning (Cont'd)			
• Public Relations			X
Regulatory Support			
Basic security training		X	
BS client relations, investment interface, regulatory support			X
ECR new and supplementary services support			X
Support Services			
BellSouth pastel support		X	•
BellSouth PISCES		X	
Building standards & codes		X	
BellSouth info technology and vendor document distribution	X		
Building engineering support		X	
Contract administration		X	
Electronic document delivery and standards		X	
Fire risk assessment		X	
Information management distribution, operation, and systems	s	X	
Library and information services	X		
Superbook technical support		X	
Switch procurement analysis		X	
Technical Analysis			
Apparatus and material requirements		X	
Belicore SCP software		X	
BellSouth Technical analysis			X
CCS network integrity technical analysis		X	
Fiber media and component		X	
Interoffice technical analysis			X
ISDN service implementation		X	
Network synchronization			X
• Technical analysis			X
Technical Training			
Advanced technology		X	
Distribution service, information networking	X		
• Technology intern program		X	
Training sales, service	X		
• World of intelligent tutorials	X		

## **BBS Services Provided to BST at FDC**

Transaction-Based Services

Knowledge-Based Services

#### **BeffSouth Financial Services (FINS)**

· Provides no services to BST at FDC.

#### BellSouth Communications, Inc. (BCI)

- Premise sales to large BST customers.
- · Hardware selection.
- · Network design.

### X X

X

#### BellSouth Communications Systems, Inc. (BCS)

- · Trouble isolation.
- Testing services.
- Problem resolution.
- · Network maintenance and repair.

### Incidental - No EFMV Test Incidental - No EFMV Test Incidental - No EFMV Test Incidental - No EFMV Test

#### Datasery, Inc.

No services provided to BST at FDC.

#### BellSouth Advanced Networks, Inc. (BSAN)

Information Systems Services

- · Hardware and software selection.
- · Data network management software.
- Software support and maintenance
- Data network systems integration.

Technical Assistance

- · Consulting services
- Problem resolution
- Legal support
- · Systems deployment support

Training Services

- · Computer systems training.
- Engineer training.
- · Operator training.

Quality Assurance Services

- Proactive systems monitoring.
- · Trouble reporting and tracking.

X

X

X

X

X X

X

X X

X

# **BBS Services Provided to BST at FDC**

BellSouth Advanced Networks, Inc. (BSAN) (Cont'd)  Customer Service  • Customer problem resolution  • Information assistance  Customer Billing Services  • Custom bill format creation  • Database maintenance/administration  • Billing reports  • Posting of changes/adjustments  • Resolution of customer billing inquiries  Management Services  • Project management of BSAN projects.  • Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  • Product development  • Promotions  • Market demand/forecasting  • Contract administration  • Sales support  Ordering and Provisioning  • Customer order processing.		Transaction-Based Services		Services
Customer Service  Customer problem resolution  Information assistance  Customer Billing Services  Custom bill format creation  Database maintenance/administration  Billing reports  Posting of changes/adjustments  Resolution of customer billing inquiries  Management Services  Project management of BSAN projects.  Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  Product development  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning				
Customer problem resolution Information assistance  Customer Billing Services Custom bill format creation Database maintenance/administration Billing reports Posting of changes/adjustments Posting of customer billing inquiries  **Resolution of customer billing inquiries  **Management Services Project management of BSAN projects.  Joint planning with BST on DSAN projects.  **Sales and Marketing Support Services Product development Product management  **Promotions **X**  **Market demand/forecasting **X** Contract administration  **Sales support  **Condering and Provisioning  **X**  **Condering and Provisioning  **X**  **X**  **Condering and Provisioning  **X**  **X**  **X**  **X**  **Condering and Provisioning	BellSouth Advanced Networks, Inc. (BSAN) (Cont'd)			
• Information assistance  Customer Billing Services  • Custom bill format creation  • Database maintenance/administration  • Billing reports  • Posting of changes/adjustments  • Resolution of customer billing inquiries  Management Services  • Project management of BSAN projects.  • Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  • Product development  • Product management  • Promotions  • Market demand/forecasting  • Contract administration  • Sales support  Credering and Provisioning	Customer Service			
Customer Billing Services  Custom bill format creation  Database maintenance/administration  Billing reports  Posting of changes/adjustments  Resolution of customer billing inquiries  Management Services  Project management of BSAN projects.  Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  Product development  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning	Customer problem resolution			
Custom bill format creation Database maintenance/administration Billing reports Posting of changes/adjustments Resolution of customer billing inquiries  Management Services Project management of BSAN projects. Joint planning with BST on DSAN projects.  Sales and Marketing Support Services Product development Product management Promotions  Market demand/forecasting Contract administration Sales support  Ordering and Provisioning	Information assistance	X		
Database maintenance/administration  Billing reports  Posting of changes/adjustments  Resolution of customer billing inquiries  Management Services  Project management of BSAN projects.  Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  Product development  Product management  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning	Customer Billing Services			
Billing reports Posting of changes/adjustments Resolution of customer billing inquiries  Management Services Project management of BSAN projects. Joint planning with BST on DSAN projects.  Sales and Marketing Support Services Product development Product management Promotions Sales and Marketing Support Services  Contract administration Sales support  Cordering and Provisioning	Custom bill format creation		X	
Posting of changes/adjustments Resolution of customer billing inquiries  Management Services Project management of BSAN projects. Joint planning with BST on DSAN projects.  Sales and Marketing Support Services Product development Product management Promotions X  Market demand/forecasting Contract administration Sales support  Ordering and Provisioning	Database maintenance/administration			
Resolution of customer billing inquiries  Management Services  Project management of BSAN projects.  Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  Product development  Product management  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning	Billing reports	-		
Management Services  Project management of BSAN projects.  Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  Product development  Product management  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning	Posting of changes/adjustments	• •		
<ul> <li>Project management of BSAN projects.</li> <li>Joint planning with BST on DSAN projects.</li> <li>Sales and Marketing Support Services</li> <li>Product development</li> <li>Product management</li> <li>Promotions</li> <li>Market demand/forecasting</li> <li>Contract administration</li> <li>Sales support</li> <li>Ordering and Provisioning</li> </ul>	Resolution of customer billing inquiries	X		
Project management of BSAN projects.  Joint planning with BST on DSAN projects.  Sales and Marketing Support Services  Product development  Promotions  Name of the same of t	Management Services			
- Joint planning with BS1 on DSAN projects.  Sales and Marketing Support Services  - Product development - Promotions - Promotions - Market demand/forecasting - Contract administration - Sales support - Ordering and Provisioning	Project management of BSAN projects.			
Product development Product management  Promotions X  Market demand/forecasting Contract administration Sales support  Ordering and Provisioning  X  X  X  X  X  X  X  X  X  X  X  X  X	<ul> <li>Joint planning with BST on DSAN projects.</li> </ul>			X
Product development  Product management  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning	Sales and Marketing Support Services			
Product management  Promotions  Market demand/forecasting  Contract administration  Sales support  Ordering and Provisioning  X  X  X	Product development			
Market demand/forecasting     Contract administration     Sales support  Ordering and Provisioning  X  X  X	Product management			X
Contract administration     Sales support  Ordering and Provisioning  X  X	• Promotions		X	
Sales support     Ordering and Provisioning	Market demand/forecasting			
Ordering and Provisioning	Contract administration		X	
· ·	Sales support		X	
Customer order processing.	Ordering and Provisioning			
	Customer order processing.	X		

### Cost Impact of EFMV

### Cost Estimate Methodology

TB&A has estimated the cost impact of the use of EFMV to BST and its affiliates, for the recurring costs associated with the compliance to the NPRM, using the following steps:

- 1) Interview BST and affiliate personnel regarding the services provided.
- 2) Review BST and affiliate documents including the Cost Allocation Manual
- 3) Identify services provided to BST from affiliates
- 4) Classify services (transaction-based or knowledge-based)
- 5) Develop assumptions (frequency of testing, rate per hour for labor, use of outside consulting, grouping of services)
- 6) Determine cost per test for each service classification
- 7) Calculate number of equivalent EFMV tests
- 8) Multiply number of each type of EFMV test against its estimated cost
- 9) Calculate total cost

The cost estimate does not include costs from vendors to provide quotes or those costs not currently possible to quantify, such as the economic costs associated with item "d" in the "Recurring Compliance Costs" section of this Attachment. In addition, the cost impact of the implementation of the EFMV pricing rule requirements, and the cost of testing the services provided from BST to its affiliates at FDC, has not been estimated and would increase significantly the total cost impact to BST and its affiliates.

### **Assumptions**

• EFMV tests will be performed for each service on the average of once per year.

Rationale: While established and stable services would require testing less frequently than once per year, new services and services that are modified would require testing throughout the year.

• The average rate per hour to perform EFMV tests is \$50 for company personnel and \$150 for contractors.

Rationale: The rate for company personnel is based on the fully loaded compensation for an entry-level to mid-level manager. The rate for contractors is based on representative billing rates for mid-level consultants.

• The mix of company personnel required for EFMV tests, versus contractors, is roughly 75% to 25% for transaction-based services, 50% each for hybrid services, and 25% to 75% for knowledge-based services.

Rationale: Knowledge-based services are less routine and harder to define than transaction-based services, suggesting the need for outside assistance. Even for primarily transaction-based services, some degree of outside assistance will be required if only to provide the requisite objectivity to the process.

Page 2 of 3

• The list of services provided in Attachment A can be grouped for EFMV test purposes as follows:

Bellcore -- 2 Services = 1 test
BellSouth Corporation -- 2 Services = 1 test
BellSouth Business Systems -- 1 Service = 1 test

Rationale: Certain services have similar characteristics allowing the services to be bid upon and evaluated simultaneously.

#### **Cost Drivers**

The EFMV proposal would significantly increase costs incurred by BST and its affiliates, both in terms of one-time implementation costs and recurring program administration costs. The majority of the cost increase would be the direct result of the following items:

#### "One Time" Implementation Costs (Unquantified)

- a. Accounting procedure revisions
- b. CAM manual revisions
- c. Accounting software revisions
- d. Audit procedure revisions
- e. Staff training on new procedures and programs

#### "Recurring" Compliance Costs

- a. Increased internal regulatory burden (monitoring this new process and justifying the use of FDC vs. EFMV in federal and (9) state jurisdictions unquantified)
- b. Increased complexity of annual audit (unquantified)
- c. Operational and administrative costs associated with new EFMV process, including gathering data for alternative provider studies and time to determine EFMV for each service on an on-going basis as well as upon new service introduction
- d. Further barriers to doing business among affiliates due to new regulatory restrictions institutionalizing inefficiencies (unquantified).
  - 1. Cost of delays in provision of new services to determine EFMV including time-sensitive services such as new product R&D.
  - 2. Cost of inefficiency associated with affiliates choosing not to do business with the regulated entity due to onerous regulatory restrictions that build in costs that eliminate what might be, in the current regulatory environment, the least-cost alternative.

Page 3 of 3

### **Cost Estimate**

	Transaction	on-based	Hybrid	service	Knowledge	e-based
Activity Description	Company	Contractor		Contractor		Contractor
Davidan (undata annias annaa	Hrs		Hrs	<u> </u>	Hrs 50	130
Develop/update service specs	70	20	75	75	30	130
Develop/update vendor lists	60	20	65	65	50	90
Issue request for quotes	15	5	15	20	15	40
Review and evaluate quotes	50	13	65	60	-50	140
Total Hours	195	58	220	220	165	400
Cost Assumptions					<u></u>	<u> </u>
Rate per hour	\$50	<b>\$</b> 150	<b>\$</b> 50	<b>\$</b> 150	\$50	<b>\$</b> 150
Approx. % of hrs req'd - Int v. Ext.	75%	25%	50%	50%	25%	75%
Cost of Labor	9,750	8,700	11,000	33,000	8,250	60,000
Total cost for EFMV test	<b>\$</b> 18,450		\$44,000		\$68,250	

Grouping of services results in a total of 255 equivalent EFMV tests:

BSC	220 / 2	=	110 equivalent EFMV tests
Bellcore	225 / 2	=	113 equivalent EFMV tests
BBS	32 / 1		32 equivalent EFMV tests
Total		=	255 equivalent EFMV tests

	Service Type Dist	ribution	# Test	s Cost of Te	st Cost Impact
Γ	Transaction-based svc tes	ts 8%	= 20	@ 20,000	=\$400,000
۱	Hybrid service tests	38 %	= 97	@ 45,000	= \$4,365,000
	Knowledge-based svc tes	ts 54 %	= 138	@ 70,000	= \$9,660,000
ı	Estimated Total Cost		255	5	=\$14,425,000

APPENDIX B

LOCAL EXCHANGE COMPETITORS

Z

BELLSOUTH REGION

### ALABAMA

	FACILITIES-						
	BASED OR	FILED FOR	<u> </u>	AGREEMENT			
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED	
ACSI	Both	03/96	06/96	7/25/96	<u></u>		
Am. MetroComm			[	7/9/96			
AT&T	Reseller	02/96	06/96				
GTE Mobilenet							
Hart Communications (Paramount)	Reseller	08/95	02/96	5/31/96	6/17/96		
ICG Access Services, Inc.	Both	01/96					
IntelCom Group	Fac-Based	01/96					
Intermedia Communications (ICI)	Both	12/95	06/96	6/21/96	6/28/96		
Intetech							
КМС Согр.							
LCI International	Reseller	06/96					
LDDS							
MCI				5/13/96	5/24/96		
NTC							
Payphone Cons							
South East Telephone				6/26/96			
Sprint	Both	07/96					
TCG				7/15/96			
Telephone Company of Central Florida				5/29/96			
TIE Comm.							
Time Warner				6/3/96			
Tricomm, Inc.				7/17/96			
US Network							

	FACILITIES-					
	BASED OR	FILED FOR	]		AGREEMEN	ĭΤ
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED
ACSI	Reseller	06/96		7/25/96		
Arrow Communications, Inc.	Both	04/96	06/96			
Am. MetroComm	<del>                                     </del>	<u> </u>		7/9/96	7/26/96	<u> </u>
Am. Portable						
ARC Networks, Inc.	Reseller	07/96				
AT&T	Reseller Initially	02/96	04/96		į	
BellSouth Telecommunications, Inc.	Fac-Based	03/96	05/96			
Bus. Telecom				7/15/96		
Cable & Wireless, Inc.	Reseller	02/96	04/96			
City of Lakeland	Reseller	08/95	09/95			
Continental Cablevision/US	Reseller	07/96				
Continental Fiber	Both	08/95	09/95			
Continental Florida Tel., Inc.	Reseller	11/95	02/96			
Cypress Telecommunications,	Reseller	06/96				
Data & Electronic Service, Inc.	Reseller	08/95	11/95			
Datacomm International, Ltd	Reseller	04/96				
Dial & Save of Florida	Reseller	05/96	08/96			
Digital Media Partners	Both	08/95	09/95	6/3/96	6/7/96	
Excel Telecommunications, Inc.	Reseller	05/96	08/96			
Festival Telephone Svc. & Comm.	Reseller	08/96				
Florida Public Telecommunications						
Assn., Inc.	Reseller	02/96	05/96			
Florida Telecommunications Services,						
Inc.	Reseller	02/96	04/96			
Global Tel Link	Reseller	02/96	05/96		1	

	FACILITIES-					
	BASED OR	FILED FOR			AGREEMEN	T
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED
GTE Mobilenet						
Hart Communications (Paramount)	Reseller			5/31/96	7/26/96	
IntelCom Group						
Intermedia Communications (ICI)	Fac-Based	08/95	09/95	6/21/96	6/25/96	
Interprise-Continential Fiber	Reseller	09/95	10/95			
Intertech, L.C.	Reseller	02/96	05/96			
KMC Telcom, Inc.	Reseller	06/96				
LCI International Telcom Corp.	Reseller	02/96	04/96			
LDDS Communications, Inc.	Both	01/96	04/96			
MCI Metro Access Trans. Inc.	Both	06/95	09/95	5/13/96	5/16/96	
MCI Telecommunications Corp.	Both	11/95	01/96			
Metropolitan Fiber Systems (MFS)	Both	07/95	09/95			
National Telecommunications of			]		]	
Florida, Inc.	Reseller	02/96	05/96			
Ontario Inc. d/b/a Ad-Tel				-		
Communications	Reseller	04/96	11		_L	
Orlando Business Systems	Reseller	05/96	08/96			
Payphone Consultants, Inc.	Reseller	07/95	12/95	2/14/96	7/25/96	
Preferred Carrier Services	Reseller	05/96				
South East Telephone	Reseller			6/26/96	7/19/96	
Sprint Communications Co.	Reseller	06/96				
Sprint Metropolitan Networks, Inc.	Both	11/95	12/95			
Strategic Technologies	Reseller	02/96	05/96			
T-NETIX, INC.	Reseller	03/96	06/96			
Tallahassee Memorial	Reseller	07/96			7	1

	FACILITIES-					
	BASED OR	FILED FOR	l L		AGREEMEN	T
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED
Tel-Save, Inc. d/b/a The Phone Co.	Reseller	05/96	08/96			
Telco Communications, Ltd	Reseller	12/95	04/96		<u> </u>	<u> </u>
Telephone Company of Central Florida,						1
TCCF	Reseller	02/96_	04/96	5/29/96	7/2/96	
Teleport Comm. Group Inc. (TCG)	Fac-Based	06/95	10/95	7/15/96	7/26/96	1
Telnet of South Florida, Inc.	Reseller	12/95	04/96			<u> </u>
Tie Comm						<u> </u>
Time Warner AXS	Fac-Based	08/95	09/95	6/3/96	6/7/96	<u> </u>
Time Warner Connect	Reseller	06/96				
Tricomm, Inc.			L	7/17/96	2/26/96	
TSC - Telecommunications Service	-		-			1
Center, Inc.	Reseller	11/95	02:96			
US Network						
US One Comm.						
US West Interprise	Reseller	01/96	05/96			
WinStar Wireless	Both	08/95	09/95			
World Access	Reseller	06/96			<u> </u>	
			1			

GEORGIA						
	FACILITIES- BASED OR	FILED FOR			AGREEMEN	
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED
Access Network Services	Reseller	07/96				
ACSI	Fac-Based	02/96	06/96	7/25/96		
Am. MetroComm				7/9/76		
American Telemangement Assoc., LLC	Reseller	09/95	06/96			
AT&T	Reseller initially	11 95	02/96			
BA/NYNEX MOBILE						
Business Telecom, Inc.	Reseller	12/95	04/96	7/16/96		
Cable & Wireless	Reseller	06/96			_L	
Cobb Telecomm, Inc.	Fac-Based	09/95	Withdrawn			
Digital Services Corp	Reseller	06 96				
Georgia Comm South	Reseller	07/95	12/95	2/15/96	2/20/96	L
GTE Mobilenet						
Hart Communications (Paramount)				5/31/96		
Innovative Telephone Access	Reseller	10/95	06/96			
Intech					<u> </u>	
IntelCom Group						
InterLink Telecommunications, Inc.	Reseller	01/96	06/96			<u> </u>
Intermedia Communications (ICI)	Reseller	02/96	06/96	6/21/96	6/25/96	
KayBLU, Inc. d/b/a Telephone Today	Reseller	03.96		· · · · · · · · · · · · · · · · · · ·		<u> </u>
KMC Telcom, Inc.	Both	06.96				
LCI International Telecom	Reseller	03/96			<u> </u>	<u> </u>
LDDS WorldCom	Fac-Based	05/96				
Marietta FiberNet	Fac-Based	01/96	07/96		<u> </u>	

	FACILITIES-	nu en con	u En con		AGREEMENT		
OLEC	BASED OR RESELLER	FILED FOR CERTIFICATION	APPROVED	SIGNED	FILED	APPROVE	
MCI Metro	Both	07/95	10/95	5/13/96	5/14/96	ATTROVE	
MediaOne	Both	07/95	10/95	7/15/96	7/25/96	<del> </del>	
MFS	Both	07/95	10/95		1	<del>                                     </del>	
Multi-Technology Svs. (MTS)	Reseller	04/96			1	1	
South East Telephone				6/26/96	1		
Sprint							
Sprint	Reseller	05/96					
TCG				7/15/96			
Telephone Co of Central Florida				5/29/96			
Tie Comm.							
Time Warner				6/3/96			
Tricomm, Inc.	Reseller	01/96	06/96	7/17/96			
US Network							
WinStar							
WinStar Wireless of GA, Inc.	Both	01/96	06/96				
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	FACILITIES-						
	BASED OR	FILED FOR	ł (	_	AGREEMEN	T	
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED	
ACSI				7/25/96			
Am MetroComm				7/9/96	]		
AT&T	Reseller	02/96					
GTE Mobilenet						<u> </u>	
Hart Communications				5/31/96			
ICI	Fac-Based			6/21/96	6/27/96		
IntelCom Group							
LCI						<u> </u>	
Louisville Lightwave	Fac-Based	02/96					
Payphone Cons							
South East Telephone				6/26/96	7/18/96		
Sprint					<u> </u>	<u> </u>	
TCG				7/15/96	<u> </u>		
Telephone Co. Central Florida				5/29/96			
Tie Comm.							
Time Warner				6/3/96			
Tricomm, Inc				7/17/96		<u> </u>	
US Network			l				
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LOUISIANA						
	FACILITIES-		1			
	BASED OR	FILED FOR		<u></u>	AGREEMEN	T
OLEC	RESELLER	CERTIFICATION	APPROVED	SIGNED	FILED	APPROVED
ACSI	Both	10/95	[4]	7/25/96		<u> </u>
Am Metro Comm	Both	10/94	07/96	7/9/96	7/10/96	<u> </u>
AT&T	Both	02/96	<u> </u>			<u> </u>
ATS	Both		[2]			J
Brooks Fiber	Both	04/96	[3]			
Cox FiberNet	Both	04 96	7/96 [1]			
Crescent City Networks	Both	05/96	[2]			
Dial & Save of Louisiana, Inc	Both	06/96				<u> </u>
GNET	Both	08/95				
GTE Mobilenet						
Hart Communications (Paramount)	Both	03/96	7/96	5/31/96	7/10/96	[5]
<b>I</b> CI				6/21/96	7/19/96	
IntelCom Group						
Interstate FiberNet	Both	05/96				
KMC (Kamine MultiMedia Corp.)	Both	03 96	[3]			
LD Savers						
LDDS	Both	05/96	1			
LeveeComm	Both	10/94				
MCImetro						
Metropolitan Fiber Systems	Both	08/94				
Payphone Cons	1			2/14/96		
Preferred PayPhone, Inc.	Both	05/96				
South East Telephone				6/26/96		
Sprint	Both	07/96	1		<b>T</b>	
TCG				7/15/96		
TCI	Both	03/96	7/96 [1]		<del> </del>	
Telephone Company Central Florida				5/29/96	<u> </u>	
Tie Comm		<u> </u>	1		<del> </del>	1